

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

W.R. GRACE & CO., et al.,

Debtors.

Chapter 11

Case No. 01-1139 (JKF)

Objection Deadline: December 18, 2008 at 4:00 p.m.

Hearing: Schedule if Necessary (Negative Notice)

**COVER SHEET TO THIRTY-THIRD MONTHLY INTERIM APPLICATION OF
ORRICK, HERRINGTON & SUTCLIFFE LLP, BANKRUPTCY COUNSEL
TO DAVID T. AUSTERN, FUTURE CLAIMANTS' REPRESENTATIVE, FOR
COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD
OCTOBER 1, 2008 THROUGH OCTOBER 31, 2008**

Name of Applicant:

Orrick, Herrington & Sutcliffe LLP ("Orrick")

Authorized to Provide Professional
Services to:

David T. Austern, Future Claimants' Representative
(the "FCR")

Date of Retention:

As of February 6, 2006 pursuant to Order entered
by Court on May 8, 2006

Period for which compensation is
sought:

October 1, 2008 through October 31, 2008

Amount of Compensation (100%) sought
as actual, reasonable, and necessary:

\$381,415.25

80% of fees to be paid:

\$305,132.20

Amount of Expense Reimbursement sought
as actual, reasonable and necessary:

\$ 58,638.65

Total Fees @ 80% and 100%
Expenses:

\$363,770.85

This is an: ___ interim X monthly ___ final application.

The total time expended for fee application preparation during this time period is 20.50 hours and the corresponding fees are \$7,258.00 and \$77.90 in expenses for Orrick's fee applications and 17.70 hours and \$4,779.00 in fees and \$1,336.76 in expenses for the FCR and/or his other professionals' fee applications. Any additional time spent for this matter will be requested in subsequent monthly interim applications.

This is Orrick's Thirty-Third interim fee application for the period October 1-31, 2008. Orrick has previously filed the following interim fee applications with the Court:

<u>Interim Period</u>	<u>Fees @ 100%</u>	<u>Fees @ 80%</u>	<u>Expenses @ 100%</u>	<u>Total Fees @ 80% & 100% Expenses</u>
First Interim Period February 6-28, 2006	\$89,026.00	\$71,220.80	\$0.00	\$71,220.80
Second Interim Period March 1-31, 2006	\$117,266.25	\$93,813.00	\$7,501.32	\$101,314.32
Third Interim Period April 1-30, 2006	\$125,362.50	\$100,290.00	\$1,783.43	\$102,073.43
Fourth Interim Period May 1-31, 2006	\$136,416.00	\$109,132.80	\$6,389.80	\$115,522.60
Fifth Interim Period June 1-30, 2006	\$194,266.75	\$155,413.40	\$6,395.69	\$161,809.09
Sixth Interim Period July 1-31, 2006	\$181,982.00	\$145,585.60	\$11,934.45	\$157,520.05
Seventh Interim Period August 1-31, 2006	\$152,041.50	\$121,633.20	\$5,711.17	\$127,344.37
Eighth Interim Period Sept. 1-30, 2006	\$223,996.25	\$179,197.00	\$8,006.50	\$187,203.05
Ninth Interim Period October 1-31, 2006	\$225,845.00	\$180,676.00	\$24,528.57	\$205,204.57
Tenth Interim Period November 1-30, 2006	\$387,429.00	\$309,943.20	\$31,267.21	\$341,210.41
Eleventh Interim Period December 1-31, 2006	\$227,796.00	\$182,236.80	\$42,583.17	\$224,819.97
Twelfth Interim Period January 1-31, 2007	\$379,956.25	\$303,965.00	\$14,046.26	\$318,011.26
Thirteenth Interim Period February 1-28, 2007	\$384,551.00	\$307,640.80	\$17,183.12	\$324,823.92
Fourteenth Interim Period March 1-31, 2007	\$347,570.75	\$278,056.60	\$26,494.40	\$304,551.00
Fifteenth Interim Period April 1-30, 2007	\$319,286.00	\$255,428.80	\$50,662.51	\$306,091.31
Sixteenth Interim Period May 1-31, 2007	\$322,920.00	\$258,336.00	\$74,644.21	\$332,980.21
Seventeenth Interim Period June 1-30, 2007	\$379,834.50	\$303,867.60	\$42,991.68	\$346,859.28
Eighteenth Interim Period July 1-31, 2007	\$261,753.75	\$209,403.00	\$51,368.01	\$260,771.01
Nineteenth Interim Period August 1-31, 2007	\$428,316.00	\$342,652.80	\$62,111.63	\$404,764.43
Twentieth Interim Period September 1-30, 2007	\$628,858.50	\$503,086.80	\$393,007.08	\$896,093.88
Twenty-First Interim Period Oct 1-31, 2007	\$976,730.25	\$781,384.20	\$84,140.33	\$865,524.53
Twenty-Second Interim Period Nov 1-30, 2007	\$808,945.25	\$647,156.20	\$150,679.68	\$797,835.88
Twenty-Third Interim Period Dec 1-31, 2007	\$792,125.75	\$633,700.60	\$51,773.86	\$685,474.46
Twenty-Fourth Interim Period Jan 1-31, 2008	\$1,052,243.75	\$841,759.00	\$140,412.45	\$982,171.45
Twenty-Fifth Interim Period Feb 1-29, 2008	\$581,751.25	\$465,401.00	\$113,062.23	\$578,463.23
Twenty-Sixth Interim Period March 1-31, 2008	\$1,200,353.75	\$960,283.00	\$182,633.22	\$1,142,916.22
Twenty-Seventh Interim Period Apr 1-30, 2008	\$519,848.00	\$415,878.40	\$78,101.72	\$493,980.12
Twenty-Eight Interim Period May 1-31, 2008	\$174,962.00	\$139,969.60	\$9,210.37	\$149,179.97
Twenty-Ninth Interim Period June 1-30, 2008	\$365,784.00	\$292,627.20	\$8,119.20	\$300,746.40
Thirtieth Interim Period July 1-31, 2008	\$463,267.25	\$370,613.80	\$48,066.49	\$418,680.29
Thirty-First Interim Period August 1-31, 2008	\$402,226.25	\$321,781.00	\$15,601.29	\$337,382.29
Thirty-Second Interim Period Sept 1-30, 2008	\$339,565.25	\$271,652.20	\$6,030.86	\$277,683.06

To date, Orrick has received payments from the Debtors in the following amounts:

- \$71,220.80 representing 80% of fees and 100% of expenses for February 2006
- \$101,314.32 representing 80% of fees and 100% of expenses for March 2006
- \$17,805.20 representing 20% of fees for February 2006
- \$23,453.25 representing 20% of fees for March 2006
- \$102,073.43 representing 80% of fees and 100% of expenses for April 2006
- \$115,522.60 representing 80% of fees and 100% of expenses for May 2006
- \$161,809.09 representing 80% of fees and 100% of most expenses for June 2006
- \$157,520.05 representing 80% of fees and 100% of expenses for July 2006
- \$127,344.37 representing 80% of fees and 100% of expenses for August 2006
- \$187,203.05 representing 80% of fees and 100% of expenses for September 2006
- \$91,209.05 representing 20% of fees for April, May and June 2006
- \$205,204.57 representing 80% of fees and 100% of expenses for October 2006
- \$566,030.38 representing 80% of fees and 100% of expenses for November and December 2006
- \$111,603.95 representing 20% of fees for July, August and September 2006
- \$642,835.18 representing 80% of fees and 100% of expenses for January and February 2007
- \$156,363.99 representing 20% of fees for October, November, and December 2006
- \$133,371.35 representing 80% of fees and 100% of expenses for March and April 2007
- \$940,610.50 representing 80% of fees and 100% of expenses for May, June and July 2007
- \$206,968.66 representing 20% of fees for January, February and March 2007
- \$404,764.43 representing 80% of fees and 100% of expenses for August 2007
- \$896,093.88 representing 80% of fees and 100% of expenses for September 2007
- \$1,059,103.88 representing 20% of fees for April, May and June 2007, and 80% of fees and 100% of expenses for October 2007
- \$797,835.88 representing 80% of fees and 100% expenses for November 2007
- \$685,474.46 representing 80% of fees and 100% expenses for December 2007
- \$252,221.75 representing 20% of fees for July-September 2007
- \$982,207.45 representing 80% of fees and 100% expenses for January 2008
- \$578,463.23 representing 80% of fees and 100% expenses for February 2008
- \$1,142,503.79 representing 80% of fees and 100% expenses for March 2008
- \$500,673.91 representing 20% of fees for October-December 2007
- \$493,980.12 representing 80% of fees and 100% of expenses for April 2008
- \$149,179.97 representing 80% of fees and 100% of expenses for May 2008
- \$300,746.40 representing 80% of fees and 100% of expenses for June 2008
- \$418,680.29 representing 80% of fees and 100% of expenses for July 2008

COMPENSATION SUMMARY
OCTOBER 1-31, 2008

<u>Name of Professional Person</u>	<u>Position of Applicant, No. of Years in Position, Prior Relevant Experience, Yr. Obtained License to Practice, Area of Expertise</u>	<u>Hourly Billing Rate</u>	<u>Total Billed Hours</u>	<u>Total Fees</u>
Jonathan P. Guy	Partner, 8 years in position; 15 years relevant experience; 1994, Bankruptcy	\$720	4.00	\$2,880.00
Mark J. Plumer	Partner, 14 years in position; 22 years relevant experience; 1986, Litigation	\$795	2.30	\$1,828.50
Roger Frankel	Partner, 25 years in position; 37 years relevant experience; 1971, Bankruptcy	\$875	141.70	\$120,750.00 ¹
Clayton S. Reynolds	Partner, 21 years in position; 29 years relevant experience; 1979, Tax	\$800	5.60	\$4,480.00
Richard V. Smith	Partner, 16 years in position; 25 years relevant experience; 1983, Corporate	\$775	24.20	\$18,755.00
Richard H. Wyron	Partner, 19 years in position; 29 years relevant experience; 1979, Bankruptcy	\$775	148.20	\$113,111.25 ²
Mary A. Wallace	Of Counsel, 6 years in position; 18 years relevant experience; 1989, Corporate	\$620	28.70	\$17,794.00
Peri N. Mahaley	Of Counsel, 16 years in position; 29 years relevant experience; 1979, Litigation	\$575	11.60	\$6,670.00
James W. Burke	Associate, 2 months in position; 2 months relevant experience; 2008, Bankruptcy	\$285	71.40	\$20,349.00
Charity R. Clark	Associate, 3 years in position; 3 years relevant experience; 2005, Bankruptcy	\$440	12.70	\$5,969.00
Debra L. Felder	Associate, 6 years in position; 6 years relevant experience; 2002, Bankruptcy	\$530	66.30	\$37,128.00
Zachary S. Finley	Associate, 7 years in position; 7 years relevant experience; 2001, Corporate	\$540	23.60	\$13,452.00

¹ The total fees have been reduced by \$3,237.00 representing non-working travel billed at 50% reduced hourly rate.

² The total fees have been reduced by \$1,743.75 representing non-working travel billed at 50% reduced hourly rate.

<u>Name of Professional Person</u>	<u>Position of Applicant, No. of Years in Position, Prior Relevant Experience, Yr. Obtained License to Practice, Area of Expertise</u>	<u>Hourly Billing Rate</u>	<u>Total Billed Hours</u>	<u>Total Fees</u>
Katherine S. Thomas	Associate, 4 years in position; 4 years relevant experience; 2004, Bankruptcy	\$470	19.20	\$9,600.00
Debra O. Fullem	Bankruptcy Research Specialist	\$245	35.30	\$8,648.50
Total			594.80	\$381,415.25
Blended Rate: \$641.24				

COMPENSATION BY PROJECT CATEGORY
OCTOBER 1-31, 2008

<u>Project Category</u>	<u>Total Hours</u>	<u>Total Fees</u>
Case Administration	1.40	\$973.00
Due Diligence	.30	\$262.50
Insurance	65.20	\$48,941.00
Litigation	21.30	\$15,630.00
Plan & Disclosure Statement	405.40	\$259,209.00
Retention of Professionals-Orrick	3.30	\$1,264.00
Retention of Professionals-Other	.90	\$220.50
Compensation of Professionals-Other	17.70	\$4,779.00
Compensation of Professionals-Orrick	20.50	\$7,258.00
Trust Distribution Procedures	46.90	\$37,897.00
Non-Working Travel	11.90	\$4,981.25
TOTAL	594.80	\$381,415.25

EXPENSE SUMMARY
OCTOBER 1-31, 2008

<u>Expense Category</u>	<u>Total</u>
Duplicating	\$1,080.40
Expert Witness Fees: Eric Stallard	\$38,539.78
Meals	\$694.52 ³
Outside Services: Court Call	\$445.00
Postage/Express Delivery	\$1,342.70
Telephone	\$33.57
Travel – Air Fare/Train/Hotel	\$8,731.84
Travel – Taxi	\$195.84
Westlaw/Lexis Research	\$7,575.00
TOTAL	\$58,638.65

3 Please note that Orrick has reduced its meal charges by \$494.63 in compliance with the Fee Auditor's new guidelines.

Orrick's Client Charges and Disbursements Policy effective January 1, 2008, is as follows:

a. ***Duplicating*** -- It is Orrick's practice to charge all clients of the Firm for duplicating at the in-house rate of 20¢ per page; however, Orrick has reduced the duplicating cost to 10¢ per page in order to comply with the Local Rules of this Court. This charge includes the cost of maintaining the duplicating facilities and the actual cost involved with respect to the duplication.

b. ***Long Distance Telephone and Facsimile Charges*** -- Orrick charges clients for long distance telephone calls but not for local telephone calls. Necessary mobile phone usage is reimbursed to professionals submitting an appropriate bill. Out-going facsimile transmissions are charged at \$1.75 per page, plus any long-distance calling cost, and there is no charge for incoming facsimiles.

c. ***Messenger and Courier Service*** -- It is Orrick's practice to use Federal Express or similar express mail delivery and third-party messenger services only in exigent circumstances (i.e., when needed to meet a deadline or when a next-day response from the recipient was necessary or beneficial to the case) and only when less costly than other available alternatives.

d. ***Overtime*** -- It is Orrick's practice to allow professionals and paraprofessionals working more than 3 hours of overtime to charge a meal to the appropriate client at a meal charge limited to \$7.50 per professional. It is Orrick's practice to allow professionals and support staff to charge a car service or cab to the appropriate client when working at least 2 hours of overtime. Orrick endeavored not to incur overtime charges unless necessary to benefit the case and in certain exigent circumstances. Orrick generally utilizes secretarial assistance in connection with monitoring and updating case dockets and downloading, circulating and printing of pleadings filed in the case. Thus, certain charges may be incurred by secretaries for overtime. (Note: These charges are at rates less than that charged by Orrick paralegals or other professional staff who may have otherwise performed this type of work.)

e. ***Computerized Research*** -- It is Orrick's practice to use computer-assisted legal research when it is efficient to do so. The charge to clients for Lexis and Westlaw are based on retail rates that do not include non-client specific volume discounts offered to Orrick. Use of fee based internet research services other than Lexis and Westlaw is charged at Orrick's cost. There is no separate charge for free internet research.

Respectfully submitted,

ORRICK, HERRINGTON & SUTCLIFFE LLP

By: /S/ RICHARD H. WYRON

Roger Frankel, admitted *pro hac vice*

Richard H. Wyron, admitted *pro hac vice*

Debra L. Felder, admitted *pro hac vice*

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Counsel to David T. Austern,

Future Claimants' Representative

Dated: November 25, 2008